

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF WISCONSIN

In re:

Michael A. Gral¹,

Debtor-in-Possession.

Case No. 16-21329- GMH
Chapter 11

Jointly Administered

**OBJECTION TO AND REQUEST FOR INSTRUCTION REGARDING CONDUCT OF RULE
2004 EXAMINATION PREVIOUSLY ORDERED BY THE COURT IN ITS ORDER OF MAY 9,
2016 ORDERING 2004 EXAMINATION**

The Debtor objects to certain motions of the Estate of Peter Margolis and SB1 Cedarburg, LLC, to participate in the 2004 examination of Michael A. Gral ("MAG").

1. Debtors filed petitions under Chapter 11 of Title 11 United States Code on February 20, 2016.

2. On April 22, 2016, Bielinski Bros. Builders, Inc. ("BBB") filed an ex parte motion to conduct a Rule 2004 exam of MAG. Two days later, MAG filed an objection to the motion for 2004 exam and thereafter, the Court granted an order on May 9, 2016, authorizing the Rule 2004 exam to take place before June 3, 2016. The 2004 exam is now to take place commencing at 9:00 a.m. on May 27, 2016. The order rendered by the Court only authorizes BBB to conduct the 2004 exam. Now Cedarburg SB1, LLC and the Estate of Peter Margolis, have indicated that they also intend to participate in the 2004 exam. See the two pleadings attached. SB1 has alleged it has received permission of Godfrey & Kahn to participate in the 2004 exam (Godfrey & Kahn, S.C. are counsel for BBB). The Estate of Peter Margolis,

¹ The court is jointly administering *In re Michael A. Gral*, Case No. 16-21329 and *In re Gral Holdings Key Biscayne, LLC*, Case No. 16-21330; and separately, the court is jointly administering *In re Michael A. Gral*, Case No. 16-21329 and *In re Capital Ventures, LLC*, Case No. 16-21331. **This pleading relates to *In re Michael A. Gral*, Case No. 16-21329, *In re Gral Holdings Key Biscayne, LLC*, Case No. 16-21330 and *In re Capital Ventures, LLC*, Case No. 16-21331.**

through its counsel, has indicated that he will be able to participate in the 2004 exam telephonically. This evidently also is with the permission of Godfrey & Kahn, S.C., if it is true. Unfortunately, no one received the permission of MAG or his counsel. MAG and his counsel object to any other party participating in the 2004 exam without a court order. If these other parties wanted a 2004 exam, they should have obtained a court order ahead of time so that MAG would have had time to prepare for their examinations and those examinations could have been conducted on different dates and times than the BBB 2004 exam. It is the understanding of MAG that in any event, whether or not SB1 will be able to participate overtly in the 2004 exam, even if it is not, it is believed that it intends to feed BBB's counsel with questions regarding specious, irrelevant, scandalous matters, such as MAG's daughter and friends utilizing the condominium owned by Gral Holdings Key Biscayne, LLC, in Key Biscayne, Florida.

3. It is not the intent of the court's order or the initial purpose of the 2004 exam, which was to investigate the viability of proposed plans of reorganization and projections in connection therewith, rather than to bring up irrelevant smut and scandalous material.

WHEREFORE, the movant requests that the court deny Cedarburg SB1, LLC and the Estate of Peter Margolis, the right to overtly participate in the 2004 exam, to deny any intention of having any party participate by telephone in the 2004 examination, and alternatively, for instructions as to the conduct of the 2004 exam, such as whether or not any party shall have the right to bring up the aforementioned smut and scandalous material that appears to be the intent of Cedarburg SB1, to proffer.

Dated this 26th day of May, 2016.

LAW OFFICES OF JONATHAN V. GOODMAN
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By: /s/ Jonathan V. Goodman
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UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF WISCONSIN

CASE NO. 16-21329-gmh
Chapter 11

IN RE:

MICHAEL A. GRAL,¹

Debtors-in-Possession.

**CROSS-NOTICE OF RULE 2004 EXAMINATION
OF MICHAEL A. GRAL**

Counsel for the Estate of Peter Margolis (“Creditor”) may cross-examine the following person under oath, telephonically or in person, at the following dates, times and location:

Examinee: **Michael A. Gral**

Date: **Friday, May 27, 2016**

Time: **9:00 a.m.**

Location: **Godfrey & Kahn, S.C.
833 East Michigan Street
Suite 1800
Milwaukee, Wisconsin**

The examination is being conducted pursuant to Federal Rules of Bankruptcy Procedure 2004. The scope of the examination is limited as set forth in the Order of Judge Halfenger and as described in Federal Rule of Bankruptcy Procedure 2004

Dated: May 19, 2016

/s/ Robert Ader

¹ This court is jointly administering *In re Michael Gral*, Case No. 16-21329 and *In re Gral Holdings Key Biscayne, LLC*, Case No. 16-21330; and, separately, the court is jointly administering *In re Michael Gral*, Case No. 16-21329 and *In re Capital Ventures, LLC*, Case No. 16-21331. **This pleading relates to all three.**

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on May 19, 2016, I electronically filed the foregoing document with the Clerk of the Court using CM/ECF. I also certify that the foregoing document is being served this day on all counsel of record and parties-in-interest via transmission of Notices of Electronic Filing generated by CM/ECF to those counsel or parties who are registered to receive Notices of Electronic Filing in this case and by U.S. Mail on all parties listed on the attached service list.

/s/Robert Ader
ROBERT ADER

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF WISCONSIN

In the matter:

Michael A. Gral,¹

Case No. 16-21329-GMH

Debtor-in-possession.

Chapter 11

**SB1 CEDARBURG L.L.C.'S CROSS-NOTICE OF
RULE 2004 EXAMINATION OF MICHAEL A. GRAL**

Creditor and party-in-interest SB1 Cedarburg L.L.C. ("*SBI*"), by and through its undersigned attorneys, hereby submits this cross-notice (the "*Cross-Notice*") of Rule 2004 examination of Michael A. Gral. SB1 may cross-examine the following person under oath, telephonically or in person, at the following date, time, and location:

Examinee: Michael A. Gral

Date: May 27, 2016

Time: 9:00 a.m.

Location: Godfrey & Kahn, S.C.
833 East Michigan Street, Suite 1800
Milwaukee, Wisconsin 53202

¹ This court is jointly administering *In re Michael Gral*, Case No. 16-21329 and *In re Gral Holdings Key Biscayne, LLC*, Case No. 16-21330; and, separately, the court is jointly administering *In re Michael Gral*, Case No. 16-21329 and *In re Capital Ventures, LLC*, Case No. 16-21331. **This pleading relates to *In re Michael Gral*, Case No. 16-21329, *In re Gral Holdings Key Biscayne, LLC*, Case No. 16-21330, and *In re Capital Ventures, LLC*, Case No. 16-21331.**

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The examination shall be conducted pursuant to Rule 2004 of the Federal Rules of Bankruptcy Procedure and the scope of the examination is set forth in the Amended Order Granting Motion and Directing a Rule 2004 Examination of Michael A. Gral dated May 10, 2016 [ECF No. 153].

SB1 reserves the right to separately file its own Rule 2004 motion and conduct its own Rule 2004 examination of Michael A. Gral, Gral Holdings Key Biscayne, LLC, and Capital Ventures, LLC.

Respectfully submitted,

SB1 CEDARBURG, L.L.C.

/s/ Christopher M. Meuler
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CERTIFICATE OF SERVICE

I, Christopher M. Meuler, an attorney, hereby certify that on May 20, 2016, I caused a true and correct copy of the foregoing to be electronically filed with the court and served upon all counsel of record via the Court's CM/ECF system.

/s/ Christopher M. Meuler